

Message Text

CONFIDENTIAL

PAGE 01 KINSHA 08162 01 OF 02 270944Z

ACTION AF-10

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-05 H-01

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02

SS-15 USIA-06 COME-00 EB-08 LAB-04 SIL-01 TRSE-00

OMB-01 AID-05 IGA-02 /090 W

-----085414 271019Z /21

P R 270900Z AUG 77

FM AMEMBASSY KINSHASA

TO SECSTATE WASHDC PRIORITY 5423

INFO AMEMBASSY BRUSSELS

AMCONSUL LUBUMBASHI

AMCONSUL BUKAVU POUCH

C O N F I D E N T I A L SECTION 1 OF 2 KINSHASA 8162

E.O. 11652: GDS

TAGS: ELAB, PINT, CG

SUBJECT: ASSESSMENT OF LABOR UNREST IN KINSHASA

REF: (A) KINSHASA 7404, (B) KINSHASA 7788, (C) KINSHASA 8049

1. SUMMARY: LABOR UNREST CONTINUES TO GRIP KINSHASA, BUT THUS FAR HAS RESULTED IN REMARKABLY LITTLE VIOLENCE. THE GOZ HAS RESPONDED BY ABOLISHING THE INCOME TAX SURCHARGE IMPOSED IN 1975 AND LIFTING THE WAGE FREEZE AND BAN ON COLLECTIVE BARGAINING INTRODUCED IN EARLY 1976. IT HAS JOINED THIS WITH AN APPEAL FOR DISCIPLINED NEGOTIATIONS TO BE ORGANIZED BY THE NATIONAL UNION OF ZAIRIAN WORKERS (UNTZA). THE DILEMMA CONFRONTING BOTH MOBUTU AND THE UNTZA LEADERSHIP IS THAT THE UNION IS AN UNLIKELY VEHICLE FOR THE SUCCESSFUL URGING OF WORKER RESTRAINT, SINCE IT HAS BEEN DISCREDITED IN THE EYES OF WORKERS BY SUCH GOZ POLICIES AS THE NOW-LIFTED BAN ON COLLECTIVE BARGAINING. END SUMMARY.

2. THE STRIKE WAVE REPORTED REFTELS (A) AND (B) APPEARS TO BE GATHERING MOMENTUM. FOR EXAMPLE, DURING A THIRTY MINUTE MEETING AUGUST 24 WITH THE LABOR REPORTING OFFICER, UNTZA SECRETARY
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 KINSHA 08162 01 OF 02 270944Z

GENERAL SIWA WAS NOTIFIED OF THREE NEW STRIKES IN THE METALLURGICAL SECTOR AND, MORE DISTURBING TO HIM, OF A WALKOUT BY WORKERS AT THE N'SELE PRESIDENTIAL FARM. ACCORDING TO SIWA, KINSHASA HAS NOT SEEN SUCH LABOR UNREST SINCE 1963. DESPITE THE APPARENT INCREASE IN STRIKE ACTIVITY, THE PATTERN REMAINS UNCHANGED: A FIRM OR GROUP OF FIRMS WILL BE STRUCK, WORKERS WILL MILL ABOUT IN FRONT OF THE PREMISES FOR A FEW DAYS, AND THEN WILL RETURN TO WORK IN

EXCHANGE FOR A WAGE AND BENEFITS INCREASE GENERALLY IN THE 15-20 PERCENT RANGE, THOUGH INDIVIDUAL SETTLEMENTS HAVE VARIED WIDELY.

3. PROMINENT RECENT STRIKE VICTIMS INCLUDE MOST BANKS, AMONG THEM THE BANQUE COMMERCIALE DU ZAIRE (BCZ) WHICH IS SOLE ISSUER OF PAYCHECKS FOR GOVERNMENT WORKERS. PAYCHECKS DUE LAST FRIDAY, AUGUST 19, HAVE YET TO BE ISSUED, BUT BCZ WORKERS ARE NOW BACK ON THE JOB. THUS THE CONCERN OF UNTZA OFFICIALS THAT GOVERNMENT WORKERS MIGHT STAGE A PROTEST STRIKE BECAUSE OF SALARY DELAYS HAS BEEN ALLEVIATED. IN THE PUBLIC SECTOR, EMPLOYEES OF THE OFFICE ZAIROIS DUE CONTROLE AND REGIDESO, A PUBLIC UTILITY, HAVE WON SETTLEMENTS. NEGOTIATIONS HAVE ALSO BEGUN AT THE SOCIETE NATIONALE DE L'ELECTRICITE IN AN ATTEMPT BY MANAGEMENT TO AVERT A STRIKE.

4. THE LACK OF COORDINATION AMONG GOZ REPRESENTATIVES REPORTED REFTEL (B) CONTINUES. CONSTRUCTEURS INGA SHABA (CIS) MANAGEMENT WAS REPORTEDLY TOLD BY GOZ COMMISSIONER FOR ENERGY TSHISUNGU THAT IT WAS FREE TO NEGOTIATE INCREASES IN BOTH THE SALARIES AND FRINGE BENEFITS PAID ITS WORKERS (SUBJECT TO FINAL APPROVAL BY THE MINISTRY OF ENERGY), BUT SUBSEQUENTLY RECEIVED INSTRUCTIONS FROM THE PRESIDENCY TO LIMIT NEGOTIATIONS TO THE LATTER. MANAGEMENT AT MARSAVCO, A UNILEVER SUBSIDIARY, SAW ITS NEGOTIATIONS DISRUPTED BY REPRESENTATIVES OF URBAN COMMISSIONER SAKOMBI, WHO ORDERED MANAGEMENT TO MEET THE WORKERS' DEMANDS. CONFIDENTIAL

CONFIDENTIAL

PAGE 03 KINSHA 08162 01 OF 02 270944Z

SIWA CLAIMS THAT SAKOMBI AND HIS LIEUTENANTS, UNABLE TO GRASP THE DIFFERENCE BETWEEN A WORKER DEMONSTRATION AND A POLITICAL RALLY, HAVE CONSISTENTLY BEEN OBSTRUCTIVE.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 KINSHA 08162 02 OF 02 271016Z
ACTION AF-10

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-05 H-01
INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02
SS-15 USIA-06 COME-00 EB-08 LAB-04 SIL-01 TRSE-00
OMB-01 AID-05 IGA-02 /090 W
-----085766 271018Z /21

P R 270915Z AUG 77
FM AMEMBASSY KINSHASA
TO SECSTATE WASHDC PRIORITY 5424
INFO AMEMBASSY BRUSSELS
AMCONSUL LUBUMBASHI
AMCONSUL BUKAVU POUCH

C O N F I D E N T I A L SECTION 2 OF 2 KINSHASA 8162

5. THUS FAR, THE GOZ RESPONSE TO THE STRIKES IN GENERAL HAS BEEN CONCILIATORY. IN ADDITION TO ACCEPTING THE INEVITABILITY OF WAGE AND BENEFIT INCREASES IN THE PRIVATE SECTOR, THE GOZ FORMALLY ABOLISHED

- THE INCOME TAX SURCHARGES OF MORE HIGHLY PAID WORKERS IMPOSED IN AUGUST, 1975; AND
- THE WAGE FREEZE AND BAN ON COLLECTIVE BARGAINING INTRODUCED IN FEBRUARY, 1966.

A ZAIRIAN PRESS AGENCY EDITORIAL HAS COUPLED THESE CHANGES WITH AN APPEAL FOR DISCIPLINE. UNTZA DELEGATES ARE CALLED UPON TO CONVEY TO EMPLOYERS THE DEMANDS AND THE UNDERLYING SOCIO-ECONOMIC PROBLEMS OF THE WORKERS. THE TRADE UNIONISTS ARE LIKEWISE ASKED TO EDUCATE THE WORKERS ABOUT THE LIMITS IMPOSED BY ZAIRE'S CURRENT ECONOMIC CRISIS ON THE SATISFACTION OF THEIR DEMANDS, NO MATTER HOW LEGITIMATE.

6. THE UNTZA, HOWEVER, NO LONGER HAS MUCH STANDING WITH ZAIRIAN WORKERS AS A RESULT OF PAST GOZ ATTEMPTS TO USE IT TO STIFLE RATHER THAN CHANNEL LABOR GRIEVANCES. ACCORDING TO SIWA, ELECTIONS OF NEW UNTZA DELEGATES WITHIN INDIVIDUAL FIRMS MUST BE HELD BEFORE THE UNION CAN BUILD UPON THE RETURN TO CONFIDENTIAL

CONFIDENTIAL

PAGE 02 KINSHA 08162 02 OF 02 271016Z

COLLECTIVE BARGAINING IN ORDER TO BEGIN TO RECOVER ITS PREVIOUS INSTITUTIONAL STRENGTH. IN THE MEANTIME, UNTZA OFFICIALS WILL BE HARD PRESSED TO MEDIATE WORKER DEMANDS AS ARTICULATED BY THE UNOFFICIAL SPOKESMEN WHO HAVE EMERGED IN OPPOSITION TO UNTZA REPRESENTATIVES.

7. SIWA HIMSELF IS UNDERSTANDABLY NERVOUS. HE CLAIMS THAT GOZ OFFICIALS CONTINUE TO EXPRESS UNDERSTANDING OF THE INABILITY OF THE UNTZA TO CONTAIN THE CURRENT UNREST, BUT DOES NOT RULE OUT THE POSSIBILITY THAT MOBUTU WILL SOON DEMAND QUICK RESULTS IN EXCHANGE FOR THE RETURN TO COLLECTIVE BARGAINING. SIWA IS PARTICULARLY CONCERNED:

- TO LIMIT THE SPREAD OF STRIKES TO THE PUBLIC SECTOR, IN ORDER TO MINIMIZE THE IMPACT OF WAGE INCREASES ON ZAIRE'S COMPLIANCE WITH IMF BUDGETARY GUIDELINES. HE HOPES TO PREVENT LABOR AGITATION FROM SPREADING TO EMPLOYEES OF GOVERNMENT DEPARTMENTS, BUT IS LESS SANGUINE ABOUT PARASTATAL WORKERS NOT YET INVOLVED IN STRIKES.

-- TO PREVENT WORKERS FROM INTERPRETING MOBUTU'S APPARENT RELUCTANCE TO TRY TO CRUSH THE STRIKES BY FORCE (WHICH SIWA ATTRIBUTES TO THE PRESIDENT'S MORE LIBERAL STANCE ANNOUNCED IN HIS LANDMARK JULY 1 SPEECH) AS A SIGN OF WEAKNESS AND CONSEQUENTLY AN INVITATION TO ESCALATE THEIR DEMANDS.

8. OTHER VIEWS ON THE CURRENT LABOR UNREST ARE DECIDEDLY MIXED. A LONG-TIME OBSERVER OF ZAIRE'S LABOR SCENE IS CONVINCED THE STRIKES WILL SPREAD TO SHABA, INCREASE IN INTENSITY, AND EVENTUALLY PROVOKE MOBUTU TO FIRE SIWA AND CALL OUT THE TROOPS. A SENIOR ZAIRIAN SECURITY OFFICIAL HAS TOLD US, ON THE OTHER HAND, THAT HE CONSIDERED THE STRIKES TO BE AN UNEXCEPTIONAL RESPONSE TO THE EXPENSES WORKERS FACE EACH YEAR AT THIS TIME AS THEIR CHILDREN PREPARE TO RETURN TO SCHOOL. HE ALSO SAID THAT HIS ORDERS FROM MOBUTU ARE NOT TO USE FORCE TO CRUSH THE STRIKES IN ORDER TO

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 KINSHA 08162 02 OF 02 271016Z

AVOID DAMAGING THE PRE-ELECTORAL ATMOSPHERE OF LIBERALIZATION WHICH THE PRESIDENT HAS SOUGHT TO CREATE.

9A. COMMENT: THE STRIKES ARE LIKELY TO STRAIN ZAIRE'S ABILITY TO COMPLY WITH IMF BUDGETARY GUIDELINES (SEE REF (C) FOR OUR COMMENTS). AT THE SAME TIME, WAGE INCREASES OF TWENTY PERCENT SEEM QUITE MODEST WHEN THE STEADY EROSION IN THE PURCHASING POWER OF ZAIRIAN WORKERS IS TAKEN INTO ACCOUNT. GOZ OFFICIAL STATISTICS INDICATE THAT PRICES INCREASED APPROXIMATELY EIGHTY PERCENT IN 1976, WHILE WAGES WERE PERMITTED TO RISE BY ONLY TWENTY PERCENT. EMBASSY STATISTICS SHOW THAT PRICES INCREASED BY ROUGHLY ANOTHER TWENTY PERCENT BETWEEN JANUARY AND JULY, 1977. TAKING THE CURRENT AVERAGE WAGE INCREASE INTO ACCOUNT, THE ZAIRIAN WORKER STILL HAS HAD TO ABSORB A DECLINE IN REAL INCOME OVER THE PAST EIGHTEEN MONTHS OF APPROXIMATELY FIFTY PERCENT.

9B. THE STRIKES MAY EVENTUALLY PROVE TO HAVE BENEFITED THE REGIME IF THE UNTZA IS ALLOWED TO ACHIEVE GREATER INSTITUTIONAL AUTONOMY THROUGH THE RETURN TO COLLECTIVE BARGAINING. WHAT REMAINS TO BE SEEN IS HOW MOBUTU WOULD RESPOND TO CONTINUED LABOR UNREST, PARTICULARLY IF RUMORED AGITATION AMONG SOLDIERS, TEACHERS AND TRANSPORTATION WORKERS MATERIALIZES.

CUTLER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LABOR STRIKES
Control Number: n/a
Copy: SINGLE
Sent Date: 27-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977KINSHA08162
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770310-0855
Format: TEL
From: KINSHASA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770816/aaaaamrq.tel
Line Count: 214
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 19e0df51-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 KINSHASA 7404, 77 KINSHASA 7788, 77 KINSHASA 8049
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 17-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1460186
Secure: OPEN
Status: NATIVE
Subject: ASSESSMENT OF LABOR UNREST IN KINSHASA
TAGS: ELAB, PINT, CG
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/19e0df51-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009